



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FmHA AN No. 1551 (1951)

February 20, 1987

SUBJECT: Administrative Offset

TO: All State Directors, State Directors-at-Large, Farmer
Programs Chiefs, District Directors, and County
Supervisors, FmHA

Purpose/Intended Outcome:

The purpose of this AN is to remind State Directors that a State Supplement is needed to clarify whether administrative offset payments can be accepted after an account is accelerated. This AN also notifies field offices of a change concerning the offsetting of Federal Crop Insurance Corporation (FCIC) payments.

Comparison with Previous AN:

No previous AN has been issued on the subject.

Implementation/Responsibilities:

FmHA Instruction 1955-A, Section 1955.15(d)(3) states the Agency's general policy that payments will not be accepted after acceleration. The law in some states, however, does allow for collection after acceleration. Because the potential exists for substantial collection through administrative offset on some accelerated accounts, FmHA Instruction 1951-C, Section 1951.105, requires each State Director to publish a State Supplement stating whether administrative offset payments can be accepted after acceleration. This determination must, of course, be based upon the advice of the Regional Attorney but collection should be authorized if at all possible. State Directors should ensure the Regional Attorney's advice is promptly obtained and the State Supplement published.

The FCIC has determined they cannot offset crop insurance payments. Do not send any additional requests to FCIC for offset. FmHA Instruction 1951-C will be revised to include this change.

VANCE L. CLARK
Administrator

EXPIRATION DATE: February 29, 1988

FILING INSTRUCTIONS:

Preceding FmHA

Instruction 1951-C



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